

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board Balance Sheet As of 8/31/2007

	As of <u>8-31-07</u>	As of <u>6-30-07</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 756,848,783	\$ 792,761,811
INTERNATIONAL EQUITIES	300,817,730	313,679,267
DOMESTIC FIXED INCOME	539,883,394	523,514,215
INTERNATIONAL FIXED INCOME	86,178,007	83,837,842
REAL ESTATE	114,566,362	114,219,432
ALTERNATIVE INVESTMENTS	80,759,307	85,207,940
INVESTED CASH (NOTE 1)	<u>23,767,650</u>	<u>19,621,766</u>
 TOTAL INVESTMENTS	 1,902,821,233	 1,932,842,273
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	4,014,388	4,507,629
MISCELLANEOUS RECEIVABLE	<u>968</u>	<u>2,247</u>
 TOTAL RECEIVABLES	 4,015,356	 4,509,876
OTHER ASSETS		
OPERATING CASH	<u>28,042</u>	<u>51,851</u>
 TOTAL ASSETS	 <u>\$ 1,906,864,631</u>	 <u>\$ 1,937,404,000</u>
LIABILITIES:		
ACCOUNTS PAYABLE	8,716	10,047
ACCRUED EXPENSES	20,344	20,042
INVESTMENT EXPENSE PAYABLE	<u>3,138,184</u>	<u>3,139,743</u>
 TOTAL LIABILITIES	 3,167,244	 3,169,832
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,934,234,168	1,634,909,225
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	3,700,000	20,410,000
NET INCREASE (DECREASE)	<u>(26,836,781)</u>	<u>319,734,943</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,903,697,387</u>	 <u>1,934,234,168</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 1,906,864,631</u>	 <u>\$ 1,937,404,000</u>

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State Investment Board Profit and Loss Statement For the Month Ended 8/31/2007

	Month Ended <u>8-31-07</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,794,181	\$ 7,496,761
SECURITIES LENDING INCOME	<u>768,867</u>	<u>1,510,310</u>
	4,563,048	9,007,071
 GAIN ON SALE OF INVESTMENTS	 26,184,564	 41,574,713
LOSS ON SALE OF INVESTMENTS	<u>15,573,922</u>	<u>28,250,898</u>
 NET GAINS (LOSSES) INVESTMENTS	 10,610,642	 13,323,815
 INVESTMENT EXPENSES	 1,548,769	 2,444,892
SECURITIES LENDING EXPENSES	738,584	1,438,167
 NET INVESTMENT INCOME	 12,886,337	 18,447,827
 NET APPREC (DEPREC) MARKET VALUE	 (17,653,196)	 (45,296,145)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(1,681)</u>	<u>35,076</u>
 TOTAL INVESTMENT INCOME	 <u>(4,768,540)</u>	 <u>(26,813,242)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	11,838	23,539
 NET INCREASE (DECREASE)	 <u><u>\$ (4,780,378)</u></u>	 <u><u>\$ (26,836,781)</u></u>

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Notes To Financial Statements
August 31, 2007

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.